



Montgomery County Council

From the Office of Councilmember Mike Knapp

For Immediate Release

March 7, 2006

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**STATEMENT OF COUNCILMEMBER MIKE KNAPP
REGARDING CIRCUIT COURT DECISION
TO SUSPEND PREDATORY LENDING LAW**

"I am relieved to learn of the Circuit Court's decision to temporarily suspend Bill 36-04, at least until notice of the court is given after the July 6 court date. This will ensure that county residents – who have spent the last week either in anguish, when their loans were pulled by lenders, or in limbo, wondering if pending applications would be approved – can get back to working with lenders, bankers and brokers to find and secure their loans.

"While the court decision is a welcome reprieve, a reprieve alone is not enough. The Council must take immediate steps to repeal the current version of 36-04. Then we must straight away bring together stakeholders – lenders, bankers, brokers, and any resident with an interest in securing a home loan – to identify specific problems, identify the real issues, and then draft an appropriate legislative solution, if one is needed, to address these problems. Any future legislation needs to be clear in its execution, not just in its intent.

"I look forward to working with my colleagues on the Council to satisfactorily resolve this matter. I am confident that we can ensure we protect vulnerable residents from unscrupulous lenders while also making certain conscientious lenders can continue to do business in our county."

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